

**Before the State of South Carolina  
Department of Insurance**

In the matter of:

Fred A. Buncombe, Jr.  
606 18<sup>th</sup> Street  
Port Royal, South Carolina 29935.

File Number 2003-119351

**Default Order Revoking  
Resident Producer's License**

This matter comes before me pursuant to a Letter of Allegation and Notice of Opportunity for Public Hearing served, as required within S.C. Code Ann. § 38-3-170 (2002), by the State of South Carolina Department of Insurance upon Fred A. Buncombe, Jr., by both certified mail, return receipt requested, and by regular mail on September 30, 2003.

That letter informed Mr. Buncombe of his right to request a public hearing upon the allegations of impropriety contained within the letter against him. The letter further warned that his failure to make a timely, written request would result in my summary revocation of his license to do business as a resident insurance producer within the State of South Carolina. Despite that warning, Mr. Buncombe has failed to respond to the Department's letter and the United States Postal Service returned as unclaimed the letters sent by the Department. On October 31, 2003, therefore, counsel for the Department filed an Affidavit of Default, and the entire matter was submitted directly to me for my summary decision based solely on the record.

The letter alleged, and I now find as fact, that while licensed to do business as a resident insurance producer within the State of South Carolina, on August 6, 2003, Mr. Buncombe was convicted of "FTC Fraud-Obt. Goods, Serv." by a Beaufort County General Sessions Court, South Carolina; Docket Number: 2003GS0701081.

This conduct as alleged is a direct violation of S.C. Code Ann. Section 38-43-130 (Supp. 2002), which states in part... "the Director or his designee may revoke or suspend an agent's license after ten days notice or refuse to reissue a license when it appears that an agent has been convicted of a crime involving moral turpitude"...Furthermore, Code Section 38-43-50 (Supp. 2002) provides that in order to fully qualify to transact business as an insurance agent within the State of South Carolina, a licensee must demonstrate that he or she is trustworthy. 25A S.C. code Ann. Reg. 69-23 § (6) (1989) lists the qualifications required to be licensed a resident insurance agent. Subsection (g) of that section provides that one's criminal record will serve as evidence of one's moral character and trustworthiness. Barring intervening circumstances, a conviction of a crime of moral turpitude would clearly indicate a lack of moral character and prevent continued licensure as a resident insurance agent in the State of South Carolina. Mr. Buncombe's conviction of "FTC Fraud" is considered a crime of moral turpitude.

In accordance with my findings of fact, and considering Mr. Buncombe's failure to avail himself of his opportunity to be heard, I now conclude, as a matter of law, that Mr. Buncombe violated S.C. Code Ann. § 38-43-130 (Supp. 2002) and that his resident insurance producer's license should be revoked.

This administrative disciplinary order is a public record subject to the disclosure requirements of the State of South Carolina's, *Freedom of Information Act*, S.C. Code Ann. §§ 30-4-10, *et seq.* (1991 and Supp. 2002). Nothing contained within this administrative disciplinary order should be construed to limit or to deprive any person of any private right of action under the law. Nothing contained within this administrative disciplinary order should be construed to limit, in any manner, the criminal jurisdiction of any law enforcement or judicial officer. Nothing contained within this administrative disciplinary order should be construed to limit the statutory duty, pursuant to S.C. Code Ann. § 38-3-110(3) (2002), of the Director of Insurance, exercised either directly or through the Department of Insurance, to "report to the Attorney General or other appropriate law enforcement officials criminal violations of the law relative to the business of insurance or the provisions of this title which he considers necessary to report."

It is, therefore, ordered that the license of Fred A. Buncombe Jr. to do business as a resident insurance producer within the State of South Carolina be, and is hereby, revoked, and that no license issued through the State of South Carolina Department of Insurance is to be issued to him.

It is further ordered that a copy of this order shall be transmitted to the National Association of Insurance Commissioners for distribution to its current member states and to each insurer for which Fred A. Buncombe Jr. is currently licensed, through the State of South Carolina Department of Insurance, as a resident insurance producer within the State of South Carolina.

This order becomes effective as of the date of my signature below.

A handwritten signature in black ink, appearing to read "E.N. Csiszar", with a long horizontal flourish extending to the right.

Ernst N. Csiszar  
Director

31 October 2003, at  
Columbia, South Carolina

**Before the State of South Carolina  
Department of Insurance**

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Fred A. Buncombe, Jr.,  
606 18<sup>th</sup> Street  
Port Royal, South Carolina 29935.

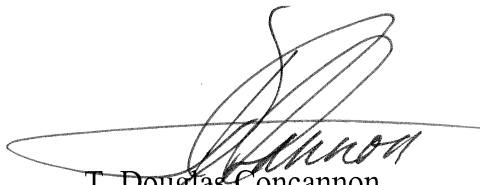
SCDOI File Number 2003-119351

**Affidavit of Default**

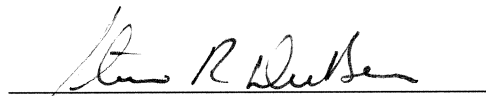
Personally appeared before me T. Douglas Concannon, who, being duly sworn, stated that at all times relevant to this Affidavit of Default he was an attorney representing the State of South Carolina Department of Insurance in this administrative action. He further stated the following:

The Department served notice on Fred A. Buncombe Jr., at the address detailed above by a Letter of Allegation and Notice of Opportunity for a Public Hearing that the Department would request the Director of Insurance to summarily revoke his license to act as a resident insurance agent within the State of South Carolina in thirty days. The Department served the Notice, pursuant to S.C. Code Ann. § 38-3-170 (Supp. 2002), by "depositing it in the United States mail, postage prepaid, addressed to the last known address of the person and registered with the return receipt requested." That Notice further informed Mr. Buncombe of his opportunity, within thirty days, to request in writing a public hearing.

The United States Postal Service effected service of the Notice by certified mail, return receipt requested, and by regular mail, on or about September 30, 2003. Mr. Buncombe has made no request for a public hearing or any other response to the Notice. The time in which to do so has expired. He is now in default.

  
T. Douglas Concannon  
Associate General Counsel

Sworn to and subscribed before me  
this 31<sup>st</sup> day of October, 2003

  
Steven R. DuBois  
Notary Public for the State of South Carolina  
My Commission Expires May 10, 2009

South Carolina Department of Insurance  
Post Office Box 100105  
Columbia, South Carolina 29202-3105  
(803) 737-6132